

**2010 Regulation Final Proposed Changes with Reasons  
January 25, 2010**

**Section 10315(i)**

**Initial Proposed Change:**

- (i) Housing types. To be eligible for Tax Credits, all applicants must select and compete in only one of the categories listed below and must meet the applicable “additional threshold requirements” of Section 10325(g), in addition to the Basic Threshold Requirements in 10325(f). The Committee will attempt to fund Federal and State Credit awards in each funding round in the approximate following percentages:

<u>Housing Type</u>	<u>Goal</u>
Large Family	65%
Single Room Occupancy	<del>40%</del> <u>15%</u>
“At-Risk”	5%
Special Needs	<del>5%</del> <u>15%</u>
Seniors	15%

**Comments Received:** Several commenters supported while several others opposed the proposed housing type changes. The supporters generally endorsed as fair the idea of permitting SRO and special needs to compete under the final tiebreaker further into the competitive award process. The objectors argued that ultimately funding more special needs and SRO projects is contrary to the tax credit investor market’s current preferences. Some objectors also noted the difficulty such projects currently have identifying lenders. Some commenters also expressed concern that the large family housing type would see a reduction in awards.

Additional comments noted that the proposed policy may be sound only if additional ARRA funds are available in 2010, while one commenter urged also increasing the senior housing goal to 20 percent. One commenter suggested a five percent increase for each of the two housing types, rather than the ten percent increase for SROs.

One commenter suggested eliminating housing type goals altogether, while another suggested amending the final sentence of the current introductory paragraph since TCAC could no longer approximate all of the goals where the total target exceeds 100 percent.

**Response:** While the objections note real drawbacks of varying degrees, staff believes the proposed increase in percentages is sound policy. The housing type regulations assure that (a) sponsors commit to a type with its associated threshold requirements. In addition, the first tiebreaker assures that a single housing type will not dominate the competition. In light of the demonstrated need across housing types, staff does not recommend abandoning the first tiebreaker. Rather, a relatively modest adjustment in the SRO and Special Needs goals would accommodate a few additional projects with significant local, State, and federal financial support.

In the interest of clarity, staff does propose to amend the introductory paragraph's final sentence in Section 10315(i).

**Revised Proposed Change:**

- (i) Housing types. To be eligible for Tax Credits, all applicants must select and compete in only one of the categories listed below and must meet the applicable "additional threshold requirements" of Section 10325(g), in addition to the Basic Threshold Requirements in 10325(f). The Committee will ~~attempt to fund Federal and State Credit awards in each funding round in the approximate following percentages~~ employ the tiebreaker at Section 10325(c)(10) in an effort to assure that no single housing type will exceed the following percentage goals where other housing type maximums are not yet reached:

<u>Housing Type</u>	<u>Goal</u>
Large Family	65%
Single Room Occupancy	40% <u>15%</u>
"At-Risk"	5%
Special Needs	5% <u>15%</u>
Seniors	15%

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**Section 10315(j)**

**Initial Proposed Change:**

- (j) Geographic Apportionments. Annual apportionments of Federal and State Credit Ceiling shall be made in approximately the amounts shown below:

<u>Geographic Area</u>	<u>Apportionment</u>
Los Angeles County	33%
Central <u>Region</u> (Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, Tulare Counties)	10%
<u>North and East Bay Region</u> (Alameda, Contra Costa, Marin, Napa, Solano, Sonoma Counties)	10%
San Diego County	10%
Inland Empire <u>Region</u> (San Bernardino, Riverside, Imperial Counties)	8%
Orange County	8%
<u>South and West Bay Region</u> (San Mateo, <del>and</del> Santa Clara Counties)	6%

Capital/ <u>and Northern Area Region</u> (Butte, El Dorado, Placer, Sacramento, Shasta, Sutter, Yuba, Yolo Counties)	6%
<u>Central Coastal California Region</u> (Monterey, San Luis Obispo, Santa Barbara, Santa Cruz, Ventura Counties)	5%
San Francisco County	4%

**Comments Received:** TCAC received few comments regarding this change. Those that commented supported the change, while one also urged TCAC to recalculate the regional apportionments.

**Response:** Proceed with initial proposed change and consult stakeholders in 2010 regarding recalculating the regional apportionments.

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## Section 10317(d)

### Initial Proposed Change:

- (d) DDA Status of Specified Counties for ~~2009~~ 2010: Under authority contained in IRC Section 42(d)(5)(B)(v), for ~~2009~~ 2010 CTCAC additionally designates projects applying for Credit Ceiling credits in the following counties as requiring an increase in credit ceiling credits and therefore considers such projects as being within a difficult to develop area (DDA) as that term is used in IRC Section 42(d)(5)(B)(iii): Alameda, Contra Costa, El Dorado, ~~Napa~~, Placer, Sacramento, and San Joaquin, and Sonoma.

**Comments Received:** All but one of the few commenters on this change supported the proposed change. Several commenters urged that projects in these regions also be permitted to seek State credits rather than the federal basis boost. One commenter was concerned that extending the six counties' DDA status would take credits from other regions.

**Response:** Regulation amendments enacted in 2009 removed language giving "priority" status for State credits to nine percent (9%) projects not residing in a DDA or a Qualified Census Tract (QCT). The deleted language was confusing and referred to a priority status the Committee was not employing as a practical matter. However, deleting the priority language left unclear that DDA/QCT projects could elect to apply for State credits rather than take the federal basis boost. Revised proposed language would now make that clear.

The affected counties' DDA status would not reduce other regions' federal credit apportionment. Rather, projects within those six regions could access more of their region's apportionment in the form of federal credits.

### Revised Proposed Change:

- (d) Credit Ceiling Applications: Applicants not eligible for the 130% basis adjustment may apply for an allocation of State credits in addition to federal Credit Ceiling credits. In addition, applicant projects eligible for the federal basis adjustment may elect to forgo the federal adjustment and apply for State credits in addition to the requested federal credits.

DDA Status of Specified Counties for ~~2009~~ 2010: Under authority contained in IRC Section 42(d)(5)(B)(v), for ~~2009~~ 2010 CTCAC additionally designates projects applying for Credit Ceiling credits in the following counties as requiring an increase in credit ceiling credits and therefore considers such projects as being within a difficult to develop area (DDA) as that term is used in IRC Section 42(d)(5)(B)(iii): Alameda, Contra Costa, El Dorado, ~~Napa~~, Placer, Sacramento, and San Joaquin, and Sonoma.

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## **Section 10322(i)(2)**

### **Initial Proposed Change:**

- (2) Placed-in-service application. Within ~~one year~~ six months of completing construction of the proposed project, the applicant shall submit documentation including an executed regulatory agreement provided by CTCAC and the compliance monitoring fee required by Section 10335. CTCAC shall determine if all conditions of the reservation have been met. Changes subsequent to the initial application, particularly changes to the financing plan and costs or changes to the services amenities, must be explained by the applicant in detail. If all conditions have been met, tax forms will be issued, reflecting an amount of Tax Credits not to exceed the maximum amount permitted by these regulations. The following must be submitted:
  - (A) certificates of occupancy for each building in the project (or a certificate of completion for rehabilitation projects). If acquisition Tax Credits are requested, evidence of the placed-in-service date for acquisition purposes, and evidence that all rehabilitation is completed;
  - (B) an audited certification, prepared by a Certified Public Accountant under generally accepted accounting principles, with all disclosures and notes. This certification shall:
    - (1) reflect all costs, expenditures and funds used for the project, as identified by the certified public accountant, up to the funding of the permanent loan; and
    - (2) include a CTCAC provided Sources and Uses form reflecting actual total costs incurred up to the funding of the permanent loan.
  - (C) an itemized breakdown of placed-in-service dates, shown separately for each building, on a Committee-provided form. If the placed-in service date(s) denoted are different from the date(s) on the certificate(s) of occupancy, a detailed explanation is required;
  - (D) photographs of the completed building(s);
  - (E) a request for issuance of IRS Form(s) 8609 and/or FTB Form(s) 3521A;
  - (F) a certification from the syndicator of equity raised and syndication costs in a Committee-provided format;
  - (G) a project ownership profile on a Committee-provided form;
  - (H) a sponsor-signed certification documenting the services currently being provided to the residents, including identifying service provider(s), describing services provided, stating services dollar value, and stating services funding source(s) (cash or in-kind), with attached copies of contracts and MOUs for services. detailed description of the services currently provided to tenants including

~~copies of contracts for such services. If services are not available at the time of submission, a description of the proposed services and a timetable for the provision of those services;~~

**Comments Received:** Many commenters argued that the proposed six-month placed in service application is not feasible in many circumstances. A small subset of commenters counter-proposed a 9-month deadline, while most simply objected to the proposed change from the current one-year standard.

Other commenters suggested that we reconcile the regulation to TCAC's actual placed in service checklist, and that we simply require a Form B without costs six months after placed in service. One commenter urged TCAC to require HUD approval of service plans where project-based vouchers are awarded to a project.

**Response:** Staff is withdrawing the proposed six-month submittal deadline, and will identify another administrative method for learning of a project's placed in service date more promptly than one year.

**Revised Proposed Change:**

- (2) Placed-in-service application. Within ~~one year~~ six months one year of completing construction of the proposed project, the applicant shall submit documentation including an executed regulatory agreement provided by CTCAC and the compliance monitoring fee required by Section 10335. CTCAC shall determine if all conditions of the reservation have been met. Changes subsequent to the initial application, particularly changes to the financing plan and costs or changes to the services amenities, must be explained by the applicant in detail. If all conditions have been met, tax forms will be issued, reflecting an amount of Tax Credits not to exceed the maximum amount permitted by these regulations. The following must be submitted:
  - (A) certificates of occupancy for each building in the project (or a certificate of completion for rehabilitation projects). If acquisition Tax Credits are requested, evidence of the placed-in-service date for acquisition purposes, and evidence that all rehabilitation is completed;
  - (B) an audited certification, prepared by a Certified Public Accountant under generally accepted accounting principles, with all disclosures and notes. This certification shall:
    - (1) reflect all costs, expenditures and funds used for the project, as identified by the certified public accountant, up to the funding of the permanent loan; and
    - (2) include a CTCAC provided Sources and Uses form reflecting actual total costs incurred up to the funding of the permanent loan.
  - (C) an itemized breakdown of placed-in-service dates, shown separately for each building, on a Committee-provided form. If the placed-in service date(s) denoted are different from the date(s) on the certificate(s) of occupancy, a detailed explanation is required;
  - (D) photographs of the completed building(s);
  - (E) a request for issuance of IRS Form(s) 8609 and/or FTB Form(s) 3521A;

- (F) a certification from the syndicator of equity raised and syndication costs in a Committee-provided format;
  - (G) a project ownership profile on a Committee-provided form;
  - (H) a sponsor-signed certification documenting the services currently being provided to the residents, including identifying service provider(s), describing services provided, stating services dollar value, and stating services funding source(s) (cash or in-kind), with attached copies of contracts and MOUs for services, detailed description of the services currently provided to tenants including copies of contracts for such services. If services are not available at the time of submission, a description of the proposed services and a timetable for the provision of those services;
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## Section 10325(c)

### Initial Proposed Change:

- (c) Credit Ceiling application competitions. Applications received in a reservation cycle, and competing for Federal and/or State Tax Credits, shall be scored and ranked according to the below-described criteria, except as modified by Section 10317(g) of these regulations. The Committee shall reserve the right to determine, on a case by case basis, under the unique circumstances of each funding round, and in consideration of the relative scores and ranking of the proposed projects, that a project's score is too low to warrant a reservation of Tax Credits. All point selection categories shall be met in the application submission through a presentation of conclusive, documented evidence to the Executive Director's satisfaction. An application proposing a project located on multiple scattered sites, all within a five (5) mile diameter circle except where a pre-existing project-based Section 8 contract is in effect, shall be scored proportionately in the site amenities category based upon (i) each site's score, and (ii) the percentage of units represented by each site. Point scores shall be determined solely on the application as submitted, including any additional information submitted in compliance with these regulations. Further, a project's points will be based solely on the current year's scoring criteria and submissions, without respect to any prior year's score for the same projects.

Effective in the second round of 2010, the number of applications received from individuals, entities, affiliates, and related entities is limited to no more than two (2) per set-aside or geographic apportionment per round, and no more than four (4) per round total. This limitation is applicable to a project applicant, developer, sponsor, owner, general partner, and to parent companies, principals of entities, and family members. For the purposes of this section, related or non-arm's length relationships are further defined as those having control or joint-control over an entity, having significant influence over an entity, or participating as key management of an entity. Related entity disclosure is required at the time of application.

**Comments Received:** Many commenters supported the proposed four application limit, but objected to the two application limit per set-aside or region. Several commenters urged putting the limits into effect in the first round of 2010.

A number of commenters opposed the changes arguing that they would thwart experienced sponsors partnering with less experienced developers. Also, the set-aside and regional limits would cause developers to leave the regions or project types where they are most adept. Several objectors noted that TCAC's regulations already limit the amount of credits an applicant can access each year (Section 10305(d)).

Some commenters proposed alternatives such as raising application fees progressively for additional applications. Other commenters urged limiting awards rather than applications since multiple applications are sometimes necessary to receive a modest number of awards. Other commenters suggested specific exceptions for nonprofit developers, or nonprofit sponsors who act in a non-lead role in the development.

Other proposed alternatives included co-applications counting as one-half toward the four-application total. Some commenters proposed numerical alternatives, including no more than six applications per round, and four per region or set-aside.

Finally, several commenters urged that TCAC not apply this limitation to Tax Exempt Bond competitors for State credits.

**Response:** Still valid are TCAC staff's initial reasons including promoting a large, diverse, active development community; reducing the risk of a high-volume sponsor disrupting a large number of projects within TCAC's portfolio; and concern over high-volume developers increasingly having performance problems. However, staff is persuaded that high volumes of funded applications are more problematic than high volumes of applications.

California has a large community of very high-quality developers, and limiting awards does not realistically risk rewarding unqualified developers. However, staff is persuaded that the two-application limit per set-aside or region would be overbearing.

Therefore, staff now proposes a four-award per round limitation only. This would permit a single sponsor to successfully compete for up to eight project awards annually - a volume that few sponsors achieve. This proposed change incrementally facilitates the purposes behind the original proposal, while disrupting very few high-volume developers.

Staff is not inclined to exclude Tax Exempt Bond competitors for State credits from this limitation, but would apply the four award limitation to each competition, rather than combine the two competitions' tallies each round. Four awards per round would still permit a single applicant to access more than half of the State credits statewide in any given round.

**Revised Proposed Change:**

- (c) Credit Ceiling application competitions. Applications received in a reservation cycle, and competing for Federal and/or State Tax Credits, shall be scored and ranked according to the below-described criteria, except as modified by Section 10317(g) of these regulations. The Committee shall reserve the right to determine, on a case by case basis, under the unique circumstances of each funding round, and in consideration of the relative scores and ranking of the proposed projects, that a project's score is too low to warrant a reservation of Tax Credits. All point selection categories shall be met in the application submission through a presentation of conclusive, documented evidence to the Executive Director's satisfaction. An application proposing a project located on multiple scattered sites, all within a five (5) mile diameter circle except where a pre-existing project-based Section 8 contract is in effect, shall be scored

proportionately in the site amenities category based upon (i) each site's score, and (ii) the percentage of units represented by each site. Point scores shall be determined solely on the application as submitted, including any additional information submitted in compliance with these regulations. Further, a project's points will be based solely on the current year's scoring criteria and submissions, without respect to any prior year's score for the same projects.

Effective in the second round of 2010, the number of ~~applications received from awards received by individuals, entities, affiliates, and related entities~~ is limited to ~~no more than two (2) per set aside or geographic apportionment per round, and no more than four (4) per competitive round total.~~ This limitation is applicable to a project applicant, developer, sponsor, owner, general partner, and to parent companies, principals of entities, and family members. For the purposes of this section, related or non-arm's length relationships are further defined as those having control or joint-control over an entity, having significant influence over an entity, or participating as key management of an entity. Related entity disclosure is required at the time of application.

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## **Section 10325(c)(5)(A)1.**

### **Initial Proposed Change:**

#### **1. Transit Amenities**

The project is part of a transit-oriented development strategy where there is a transit station, rail station, commuter rail station, or bus station, or public bus stop within 1/4 mile from the site with service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m., and the project's density will exceed 25 units per acre 7 points

The site is within 1/4 mile of a transit station, rail station, commuter rail station or bus station, or public bus stop with service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m. 6 points

The site is within 1/3 mile of a public bus stop with service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m. 5 points

The site is located within 500 feet of a regular public bus stop, or rapid transit system stop. (For Rural set-aside projects, full points may be awarded where van or dial-a-ride service is provided to tenants, if costs of obtaining and maintaining the van and its service are included in the budget and the operating schedule is either on demand by tenants or a regular schedule is provided) 4 points

The site is located within 1,500 feet of a regular public bus stop or rapid transit system stop 3 points

Multiple bus lines may ~~not~~ be aggregated for the above points, only if CTCAC determines that multiple lines from the designated stop travel to the community's employment center.



**Comments Received:** A set of commenters urged TCAC to permit private systems only where they are comparable to public systems. Examples given included Emerygoround (Emeryville) and Marguerite Shuttle (Palo Alto), both free systems. One commenter noted that some developers are required to provide free or significantly discounted transit systems for their residents.

One commenter also urged TCAC to award points to projects within one-half mile of a transit hub or station.

Finally, two commenters urged TCAC to clarify the proposed “multiple bus lines” policy. One commenter noted that a community may have multiple employment centers.

**Response:** Recognizing that, in rare instances, private systems may approximate the benefit that residents realize from a nearby public system, staff is now proposing an exception clause requiring prior approval by the Executive Director for a free private system comparable to a public system.

Also, staff is providing language clarifying when multiple bus lines may be aggregated. This clarification would require prior approval by the Executive Director, and an application would need to demonstrate that multiple lines meeting the required headway times travel to an employment center.

**Revised Proposed Change:**

1. Transit Amenities

The project is part of a transit-oriented development strategy where there is a transit station, rail station, commuter rail station, or bus station, or public bus stop within 1/4 mile from the site with service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m., and the project's density will exceed 25 units per acre 7 points

The site is within 1/4 mile of a transit station, rail station, commuter rail station or bus station, or public bus stop with service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m. 6 points

The site is within 1/3 mile of a public bus stop with service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m. 5 points

The site is located within 500 feet of a regular public bus stop, or rapid transit system stop. (For Rural set-aside projects, full points may be awarded where van or dial-a-ride service is provided to tenants, if costs of obtaining and maintaining the van and its service are included in the budget and the operating schedule is either on demand by tenants or a regular schedule is provided) 4 points

The site is located within 1,500 feet of a regular public bus stop or rapid transit system stop 3 points

A private bus or transit system providing service to residents may be substituted for a public system if it (a) meets the relevant headway and distance criteria, and (b) if service is provided free to the residents. Such private systems must receive approval from the CTCAC Executive Director prior to the application deadline. Multiple bus lines may not be

aggregated for the above points, ~~only if CTCAC determines that multiple lines from the designated stop travel to the community's an employment center. Such aggregation must be demonstrated to, and receive prior approval from, the CTCAC Executive Director in order to receive competitive points.~~

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#### **Section 10325(c)(5)(A)4.**

##### **Initial Proposed Change:**

4. The site is within 1/4 mile of a full scale grocery store/supermarket of at least 25,000 square feet where staples, fresh meat, and fresh produce are sold (1/2 mile for Rural set-aside projects or projects located in inner cities) 4 points
- ~~or within 1/2 mile (1 mile for Rural set-aside projects or projects located in inner cities)~~ ~~3 points~~
- or within 1.5 miles (3 miles for Rural set-aside projects) 2 points
- ~~or site is within 1/4 mile of a convenience market where staples are sold~~ ~~2 points~~
- The site is within 1/4 mile of a neighborhood market of 5,000 square feet or more (1/2 mile for Rural Set-aside projects) 3 points
- or within 1/2 mile (1 mile for Rural Set-aside projects) 2 points
- The site is within 1/4 mile of a weekly certified farmers market operating at least 5 months in a calendar year 2 points
- or within 1/2 mile 1 point

**Comments Received:** This proposed change, by far, elicited the most public comment. Commenters overwhelmingly opposed the change, except for the elimination of convenience stores as point-earners. However, one commenter advocated keeping the convenience store points for the 24-hour convenience of purchasing specific sundry items.

Most objectors to the proposed changes argued that the 25,000 square foot minimum would exclude too many beneficial groceries that warrant full points. Several commenters also argued that long-range develop decisions had already been made in reliance upon the current standard which would permit sub-25,000 square foot stores to qualify as a “full scale grocery store/supermarket.” Several commenters argued that rural communities lack groceries that would meet the new proposed standards.

Many commenters proposed alternative minimums for full scale grocery stores/supermarkets ranging from 15,000 to 12,500 to 10,000 square feet. In most instances the commenter was attempting to accommodate a specific store or brand such as Trader Joes, Whole Foods, Andronicos, or even older Safeways.

Several commenters opined that square footage was simply too crude a method to use for scoring stores, and that size does not always equate to better selection and pricing variety. Others argued that TCAC should specifically account for pricing and therefore exclude stores like Whole Foods that are generally too expensive. Some commenters urged continuing with a qualitative review using photographs.

A few commenters urged TCAC to retain some form of “inner city” exception for distances, while others urged that we permit an aggregation of market types for full points.

A smaller set of commenters objected to the proposed 5,000 square foot minimum for neighborhood markets, with one commenter specifically stating that we failed to account for Pink Dot and Yummy.com as viable small-store alternatives. Two commenters suggested taking the 5,000 square foot minimum down to 3,000.

A variety of other comments suggested alternatives such as scaling points by size ranging from full points for 25,000 square feet to gradually fewer points for incrementally smaller stores; allowing TCAC to make case-by-case exceptions; having third-party market analysts evaluate and describe stores; and adding total available points to the category.

One commenter urged clarifying how square footage is to be measure, while two others argued that small, specialty stores benefit residents and would get too little competitive credit.

Some commenters urged adding distances for other amenities, especially pharmacies located in the more distant markets.

Those commenters who addressed the increased distances were supportive. Most commenters on the farmers market scoring were supportive as well. However two commenters opposed farmers markets, and one suggested clarifying the certification requirement while the other commenter argued for reducing the points for farmers markets down to one.

**Response:** TCAC staff admits that gross square footage is a crude measure of a grocery’s value to a low-income resident. However, staff continues to believe that, as a general proposition, larger stores offer a greater variety of food and sundry choices and greater pricing variety.

Staff has attempted to verify as many assertions as possible in response to comments, and has ascertained that full-scale grocery stores, as proposed, do exist in rural areas. Of 18 rural awards in 2009, 13 received points for being with ½ mile of a grocery while 4 received points for being within one mile. Seven of these projects were near large grocery stores of at least 25,000 square feet, while three more appeared to be approximately 25,000 square feet based upon submitted photos. Three others appeared to be less than 25,000 but more than 5,000 square feet, while four appeared to be sub-5,000 square foot markets.

While some commenters complained of the emphasis on “big box” stores, staff continues to believe that 25,000 square feet is below average for new supermarkets, and accommodates many older supermarkets. While commenters correctly observe that Trader Joes stores are less than 25,000 square feet, staff collectively does not recall ever seeing a Trader Joes proposed as a nearby grocery store.

More typically, staff has seen too many applications proposing small, poorly stocked, over-priced markets as full-scale groceries. Absent a clear standard, such markets will continue to garner full competitive points.

Staff is sensitive to the argument that sponsors have relied upon current standards when identifying sites for 2010 applications. Therefore, staff is modifying the proposed changes to retain 5,000+ square foot groceries as four-point scorers, while 25,000+ square foot grocery store/supermarket would now garner five points, the new higher maximum available for this amenity. Staff believes these changes fairly hold sponsors with prior-acquired sites at the same point level as 2009, while rewarding with an additional point proximity to bona fide full scale stores.

Staff remains committed to competitively acknowledging the benefit of nearby farmers' markets, and is clarifying the certifying standard for scoring purposes.

Staff will give further consideration and consult the stakeholder community further about other suggestions, including additional distance credit for pharmacies within a full-scale grocery store/pharmacy.

#### **Revised Proposed Change:**

4. The site is within 1/4 mile of a full scale grocery store/supermarket of at least 25,000 gross interior square feet where staples, fresh meat, and fresh produce are sold (1/2 mile for Rural set-aside projects or projects located in inner cities) 4 5 points
  - or within 1/2 mile (1 mile for Rural set-aside projects or projects located in inner cities) 3 4 points
  - or within 1.5 miles (3 miles for Rural set-aside projects) 2 3 points
  - or site is within 1/4 mile of a convenience market where staples are sold 2 points
  - The site is within 1/4 mile of a neighborhood market of 5,000 gross interior square feet or more where staples, fresh meat, and fresh produce are sold (1/2 mile for Rural Set-aside projects) 3 4 points
  - or within 1/2 mile (1 mile for Rural Set-aside projects) 2 3 points
  - The site is within 1/4 mile of a weekly ~~certified~~ farmers market certified by the California Federation of Certified Farmers' Markets, and operating at least 5 months in a calendar year 2 points
  - or within 1/2 mile 1 point
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#### **Section 10325(c)(5)(A)5.**

#### **Initial Proposed Change:**

5. For a Large Family development, the site is within 1/4 mile of a public elementary, middle, or high school that children living in the development may attend (1/2 mile for Rural set-aside projects). Public schools demonstrated to be under construction and to be completed and available to the residents prior to the housing development completion are considered in place at the time of application for purposes of this scoring factor. 3 points

or within 1/2 mile (1 mile for Rural set-aside projects)

2 points

**Comments Received:** Commenters on this change endorsed the proposal, but several urged similar consideration for other public amenities as well (public transit stations, public parks or community centers, public senior centers or other service facilities. One commenter urged clarifying language establishing the standard “at the time of application.”

**Response:** Staff continues to endorse the public school accommodation in light of the recent occurrence of the under construction scenario. Staff would like to give further consideration to additional public amenities under construction. For example, a park being developed by a private developer but ultimately to be deeded over to the local government is a materially different set of facts to the school scenario. In light of the limited instances where such circumstances may arise, staff would like to give other amenities further consideration before amending regulations.

Staff is adding clarifying language regarding timing relative to the application due date.

**Revised Proposed Change:**

5. For a Large Family development, the site is within 1/4 mile of a public elementary, middle, or high school that children living in the development may attend (1/2 mile for Rural set-aside projects). Public schools demonstrated, at the time of application, to be under construction and to be completed and available to the residents prior to the housing development completion are considered in place at the time of application for purposes of this scoring factor.

3 points

or within 1/2 mile (1 mile for Rural set-aside projects)

2 points

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**Section 10325(c)(5)(A)10.**

**Initial Proposed Change:**

10. High speed internet service must be provided in each unit for a minimum of 10 years, free of charge to the tenants, and available within 6 months of the project's placed-in-service date. Contracts with service providers must be documented within the application. If internet is selected as an option in the application it must be provided even if it is not needed for points.

2 points

**Comments Received:** Commenters generally endorsed the propose inclusion of internet service within the site amenities scoring category. One objecting commenter stated that applicants will “game” this opportunity to garner full site amenity points without delivering free internet service to their project. The other objector stated that free internet service does not further “smart growth” principals and should not be in the amenity scoring section.

Among those who endorsed the idea, several asked that “will serve” letters suffice rather than executed contracts with internet service providers. These commenters argued that executed contracts two year’s in advance of project operation are impractical.

A small set of commenters suggested that points be available for either site amenity or service amenity scoring. Also, one commenter asked that TCAC state minimum capacity standards for a free internet system.

**Response:** For the reasons previously stated, TCAC staff continues to endorse the originally proposed change. However, TCAC proposes incorporating one commenter's suggested addition of a federal housing program minimum standard for such systems' capacity.

Staff does not recommend leaving the option available under "service amenity" scoring since to do so could dilute TCAC's efforts to reward counseling and other specified services in that category.

**Revised Proposed Change:**

10. High speed internet service, with a 768 kilobytes/second capacity, must be provided in each unit for a minimum of 10 years, free of charge to the tenants, and available within 6 months of the project's placed-in-service date. Contracts with service providers must be documented within the application. Will serve letters or other documentation of internet availability must be documented within the application. If internet is selected as an option in the application it must be provided even if it is not needed for points.

2 points

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**Section 10325(c)(5)(B)**

**Initial Proposed Change:**

~~(B) — Service Amenities: Amenities must be appropriate to the tenant population served and committed for a minimum of 10 years. Physical space for such amenities must be available when the development is placed-in-service, and the amenities must be available within 6 months of the project's placed-in-service date. To receive points in this category, programs must be of a regular, ongoing nature and provided to tenants free of charge, except for day care services. Services must be provided on-site except that projects may use off-site services within 1/2 mile of the development provided that they have a written agreement with the service provider enabling the development's tenants to use the services free of charge (except for day care and any charges required by law) and that demonstrate that provision of on-site services would be duplicative. Referral services will not be eligible for points. Contracts with service providers, service provider experience, and evidence that physical space will be provided must be documented within the application. To receive points for service amenities the application must propose a combined annual value of at least \$10,000, or \$5,000 for projects of 20 units or fewer, for those services. Any donated services must be assigned a dollar value by the provider of those services. To receive service amenities points, applications must contain a detailed budget clearly displaying all anticipated income and expenses associated with the projects services program. Having a bona fide service coordinator (not the on-site manager, for example) may count for 5 points in this category, provided that the experience of the coordinator, the duties of the coordinator, and a budget to pay for the coordinator are included in the~~

~~application. No more than 10 points will be awarded in this category. Amenities may include, but are not limited to:~~

- ~~1. High speed internet service provided in each unit (as stated above, free of charge to the tenants) 5 points~~
- ~~2. After school programs of an ongoing nature for school age children 5 points~~
- ~~3. Educational classes (such as ESL, computer training, etc.) but which are not the same as in 2 above. 5 points~~
- ~~4. Licensed child care providing 20 hours or more per week (Monday through Friday) to residents of the development 5 points~~
- ~~5. Direct client services, such as assistance with activities of daily living, or provision of counseling services, where a contract is in place at the time of application (only for senior, SRO and Special Needs Projects) 5 points~~
- ~~6. Bona fide service coordinator/social worker available 5 points~~

(B) Projects that provide high-quality services designed to improve the quality of life for tenants are eligible to receive points for service amenities. Services must be appropriate to meet the needs of the tenant population served and designed to generate positive changes in the lives of tenants, such as by increasing tenant knowledge of and access to available services, helping tenants maintain stability and prevent eviction, building life skills, increasing household income and assets, increasing health and well being, or improving the educational success of children and youth.

In order to receive points in this category, physical space for service amenities must be available when the development is placed-in-service. Services space must be located inside the project and provide sufficient square footage, accessibility and privacy to accommodate the proposed services.

The amenities must be available within 6 months of the project's placed-in-service date. Services must be committed for a period of 10-years.

All services must be of a regular and ongoing nature and provided to tenants free of charge (except for day care services or any charges required by law). Services must be provided on-site except that projects may use off-site services within 1/2 mile of the development provided that they have a written agreement with the service provider enabling the development's tenants to use the services free of charge (except for day care and any charges required by law) and that demonstrate that provision of on-site services would be duplicative. All organizations providing services for which the project is claiming service amenities points must have at least 24 months experience providing services to one of the target populations to be served by the project.

No more than 10 points will be awarded in this category.

Amenities may include, but are not limited to:

1. Service Coordinator. Responsibilities must include, but are not limited to: (a) providing tenants with information about available services in the community, (b) assisting tenants to access services through referral and advocacy, and (c) organizing community-building and/or other enrichment activities for tenants (such as holiday events, tenant council, etc.). Minimum ratio of 1 Service Coordinator to 200 tenants. May not be the same position as #2 or #3. 5 points
2. Case Manager. Responsibilities must include (but are not limited to) working with tenants to develop and implement an individualized service plan, goal plan or independent living plan. Minimum ratio of 1 Case Manager to 50 tenants. May not be the same position as #1 or #3. 5 points
3. Other Services Specialist. Must provide individualized assistance, counseling and/or advocacy to tenants, such as to assist them to access education, secure employment, secure benefits, gain skills or improve health and wellness. Includes, but is not limited to: Vocational/Employment Counselor, ADL or Supported Living Specialist, Substance Abuse or Mental Health Counselor, Peer Counselor, Domestic Violence Counselor. Minimum ratio of 1 Services Specialist to 100 tenants. May not be the same position as #1 or #2. 5 points
4. Adult educational classes. Includes, but is not limited to: Financial literacy, computer training, home-buyer education, GED classes, and resume building classes. Must provide a minimum of 80 hours of instruction each year (40 hours for small developments of 20 units or less). May not be the same as #5. 5 points
5. Health and wellness or skill-building classes. Includes, but is not limited to: ESL, nutrition class, exercise class, health information/awareness, art class, parenting class, on-site food cultivation and preparation classes, and smoking cessation classes. Must provide a minimum of 80 hours of instruction each year (40 hours for small developments of 20 units or less). May not be the same as #4. 5 points
6. Individual development account (IDA) or matched savings program provided by appropriately-licensed organization or individual for tenants. 5 points
7. Health services provided by appropriately-licensed organization or individual. Includes but is not limited to: health clinic, adult day health center, medication management services. 5 points



8. Behavioral health services provided by appropriately-licensed organization or individual. Includes but is not limited to: mental health services and treatment, substance abuse services and treatment. 5 points
9. Licensed child care. Must be available 20 hours or more per week, Monday through Friday, to residents of the development. (Only for large family projects or other projects in which at least 50% of units are for families). 5 points
10. After school program for school age children. Includes, but is not limited to tutoring, mentoring, homework club, art and recreational activities. Minimum of 10 hours per week, Monday to Friday, offered throughout the school year. (Only for large family projects or other projects in which at least 50% of units are for families). 5 points

Documentation must be provided for each category of services for which the applicant is claiming service amenities points and must state the name and address of the organization or entity that will provide the services; describe the services to be provided; state the annual dollar value of the services; commit that services will be provided for a period of 10 years; commit that services will be available to tenants of the project free of charge (except for child care services or other charges required by law); name the project to which the services are being committed. Organizations providing in-kind or donated service must estimate the value of those services. Volunteer time may be valued at \$10 per hour.

Documentation may take the form of a contract for services, Memorandum of Understanding (MOU), or commitment letter on agency letterhead..

For projects claiming points for items 1, 2 or 3, a position description must be provided. Services delivered by the on-site Property Manager or other property management staff will not be eligible for points under any category (items 1 through 10).

Applications must include a services sources and uses budget clearly describing all anticipated income and expenses associated with the services program and that aligns with the services commitments provided (i.e. contracts, MOUs, letters, etc.)

All organizations providing services for which the project is claiming points must document that they have at least 24 months of experience providing services to the project's target population. Experience of individuals may not be substituted for organizational experience.

Evidence that adequate physical space for services will be provided must be documented within the application.

**Comments Received:** The proposed changes received many supportive comments, and far fewer comments opposing the prospective changes. Among the supporters, many provided suggested amendments to the proposed language including the following:

- Award more points for more intensive services such as 1 full time equivalent (FTE) per 30 units.
- Either clarify the standards for Individual Development Accounts (IDAs), since it is too easy, or eliminate this alternative altogether.
- Require prior owner experience with at least one service-enhanced project when awarding services points.
- Evaluate the appropriateness of the proposed service to the proposed resident population, and weigh more costly services with higher point awards. Specifically, health services and child care should receive more points.
- Clarify to what extent MOUs, contracts, or letters of interest are required for identified services.
- Adjust staffing ratios to award 5 points for 60 hours of adult education, health and wellness classes, or skill-building classes. Also, reduce after-school standard from 50 percent (50%) of the units to 30 percent (30%) for families.
- Permit services to change over the ten-year period.
- Note language disagreement requiring on-site services (second paragraph) and the permissibility of nearby offsite services (fourth paragraph). Also, limit the offsite alternative to a ¼ mile distance.
- After school programs should be scored in the same fashion as adult education and health and wellness classes. Also, the service provider, case manager, and services specialist scoring should be better aligned with education classes and health and wellness classes.
- Partial points should be available for less than full time service providers. The same comment for after school programs of fewer than 10 hours. Describe how scaling down from an FTE would work.
- Allow combinations of services hours for full points.

In addition to the above comments, each generally made by single commenter, many commenters recommended that TCAC measure services staff ratios using FTEs against bedrooms, rather than persons. Also, several commenters stated that the proposed staffing ratios for a service coordinator, a case manager, and a services specialist were too rigorous and generally financially infeasible. Several alternative ratios were proposed.

Finally, a subset of commenters commended the intent, but proposed significantly alternative schemes by which to measure and compare proposed services plans.

**Response:** TCAC staff continues to consider the proposed changes as a significant improvement over the current regulatory language in providing clearer standards for scoring services plans. Staff continues to propose the same general set of changes with amendments pursuant to comments received.

New proposed language would establish the term “Full Time Equivalent” and use it to measure staffing ratios. Changes would now measure staffing against bedrooms, rather than tenants, and enlarge the ratio of service providers per bedroom. In responding to received comments and further dialog with professional service consultants and providers, the new ratios are now more financially feasible.

Changes also eliminate the Individual Development Account (IDA) option due to a lack of clarity and standardization. TCAC staff will give further consideration for future re-incorporation.

Staff is proposing lower annual hours minimums for adult education and health and wellness classes from 80 to 60 hours, (40 to 30 hours annually for small developments). Also, applicants may receive the full ten (10) points if these services are provided at double the listed annual hours. This change acknowledges the value of these services if provided in a sufficiently intensive manner.

Staff agrees to align the childcare and after-school options with the program’s large family standard by reducing to 30 percent (30%) the number of large family units required.

Finally, amended language clarifies that each of the nine remaining categories is mutually exclusive for scoring purposes. That is, a provider of medicine management services (#6) could not also be counted as a services specialist (#3). Originally proposed mutual exclusivity language is being deleted from items 1 through 5 and being replaced by the more inclusive new language following item 9.

#### **Revised Proposed Change:**

Continue to delete existing Section 10325(c)(5)(B) and add:

(B) Projects that provide high-quality services designed to improve the quality of life for tenants are eligible to receive points for service amenities. Services must be appropriate to meet the needs of the tenant population served and designed to generate positive changes in the lives of tenants, such as by increasing tenant knowledge of and access to available services, helping tenants maintain stability and prevent eviction, building life skills, increasing household income and assets, increasing health and well being, or improving the educational success of children and youth.

Except as provided below, in ~~an~~ order to receive points in this category, physical space for service amenities must be available when the development is placed-in-service. Services space must be located inside the project and provide sufficient square footage, accessibility and privacy to accommodate the proposed services.

The amenities must be available within 6 months of the project’s placed-in-service date. Services must be committed for a period of 10-years.

All services must be of a regular and ongoing nature and provided to tenants free of charge (except for day care services or any charges required by law). Services must be provided on-site except that projects may use off-site services within 1/2 mile of the development provided that they have a written agreement with the service provider enabling the

development's tenants to use the services free of charge (except for day care and any charges required by law) and that demonstrate that provision of on-site services would be duplicative. All organizations providing services for which the project is claiming service amenities points must have at least 24 months experience providing services to one of the target populations to be served by the project.

No more than 10 points will be awarded in this category.

Amenities may include, but are not limited to:

1. Service Coordinator. Responsibilities must include, but are not limited to: (a) providing tenants with information about available services in the community, (b) assisting tenants to access services through referral and advocacy, and (c) organizing community-building and/or other enrichment activities for tenants (such as holiday events, tenant council, etc.). Minimum ratio of 1 Full Time Equivalent (FTE) Service Coordinator to ~~200 tenants~~ 400 bedrooms. ~~May not be the same position as #2 or #3.~~ 5 points
2. Case Manager. Responsibilities must include (but are not limited to) working with tenants to develop and implement an individualized service plan, goal plan or independent living plan. Minimum ratio of 1 FTE Case Manager to ~~50 tenants~~ 100 bedrooms. ~~May not be the same position as #1 or #3.~~ 5 points
3. Other Services Specialist. Must provide individualized assistance, counseling and/or advocacy to tenants, such as to assist them to access education, secure employment, secure benefits, gain skills or improve health and wellness. Includes, but is not limited to: Vocational/Employment Counselor, ADL or Supported Living Specialist, Substance Abuse or Mental Health Counselor, Peer Counselor, Domestic Violence Counselor. Minimum ratio of 1 FTE Services Specialist to ~~400 tenants~~ 400 bedrooms. ~~May not be the same position as #1 or #2.~~ 5 points
4. Adult educational classes. Includes, but is not limited to: Financial literacy, computer training, home-buyer education, GED classes, and resume building classes. Must provide a minimum of ~~80~~ 60 hours of instruction each year (~~40~~ 30 hours for small developments of 20 units or less). ~~May not be the same as #5.~~ 5 points
5. Health and wellness or skill-building classes. Includes, but is not limited to: ESL, nutrition class, exercise class, health information/awareness, art class, parenting class, on-site food cultivation and preparation classes, and smoking cessation classes. Must provide a minimum of ~~80~~ 60 hours of instruction each year (~~40~~ 30 hours for small developments of 20 units or less). ~~May not be the same as #4.~~ 5 points

~~6. Individual development account (IDA) or matched savings program provided by appropriately licensed organization or individual for tenants.~~ 5 points

~~76.~~ Health services provided by appropriately-licensed organization or individual. Includes but is not limited to: health clinic, adult day health center, medication management services. 5 points

~~87.~~ Behavioral health services provided by appropriately-licensed organization or individual. Includes but is not limited to: mental health services and treatment, substance abuse services and treatment. 5 points

~~98.~~ Licensed child care. Must be available 20 hours or more per week, Monday through Friday, to residents of the development. (Only for large family projects or other projects in which at least 50% 30% of units are three bedrooms are larger for families). 5 points

~~109.~~ After school program for school age children. Includes, but is not limited to tutoring, mentoring, homework club, art and recreational activities. Minimum of 10 hours per week, Monday to Friday, offered throughout the school year. (Only for large family projects or other projects in which at least 50% 30% of units are three bedrooms are larger for families). 5 points

Items 1 through 9 are mutually exclusive. One proposed service may not receive points under two different categories. Applicants may receive ten (10) points for item 4 or 5 if double the minimum hours of instruction is provided.

Documentation must be provided for each category of services for which the applicant is claiming service amenities points and must state the name and address of the organization or entity that will provide the services; describe the services to be provided; state the annual dollar value of the services; commit that services will be provided for a period of 10 years; commit that services will be available to tenants of the project free of charge (except for child care services or other charges required by law); name the project to which the services are being committed. Organizations providing in-kind or donated service must estimate the value of those services. Volunteer time may be valued at \$10 per hour.

Documentation may take the form of a contract for services, Memorandum of Understanding (MOU), or commitment letter on agency letterhead committing to provide services for at least one year.

For projects claiming points for items 1, 2 or 3, a position description must be provided. Services delivered by the on-site Property Manager or other property management staff will not be eligible for points under any category (items 1 through 10).

Applications must include a services sources and uses budget clearly describing all anticipated income and expenses associated with the

services program and that aligns with the services commitments provided (i.e. contracts, MOUs, letters, etc.)

All organizations providing services for which the project is claiming points must document that they have at least 24 months of experience providing services to the project's target population. Experience of individuals may not be substituted for organizational experience.

Evidence that adequate physical space for services will be provided must be documented within the application.

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## **Section 10325(c)(7)(A)**

### **Initial Proposed Change:**

- (7) Lowest Income in accordance with the table below      Maximum 52 points
- (A) The "Percent of Area Median Income" category may be used only once. For instance, 50% of Income Targeted Units to Total Tax Credit Units at 50% of Area Median Income cannot be used twice for 100% at 50% and receive 50 points, nor can 50% of Income Targeted Units to Total Tax Credit Units at 50% of Area Median Income for 25 points and 40% of Income Targeted Units to Total Units at 50% of Area Median Income be used for an additional 20 points. However, the "Percent of Income Targeted Units" may be used multiple times. For example, 50% of Targeted Units at 50% of Area-Median Income for 25 points may be combined with another 50% of Targeted Units at 45% of Area Median Income to achieve the maximum points. All projects must score at least 45 points in this category to be eligible for 9% Tax Credits.

Only projects competing in the Rural set aside may use the 55% of Area median income column.

Projects with more than 50% of the low income units targeted at or below 45% of Area Median Income must provide documentation of a committed subsidy for a period of at least 15 years (to the extent permitted by the relevant program funding source).

Lowest Income Points Table:

		Percent of Area Median Income						
		55	50	45	40	35	30	
	<u>80</u>				<u>45</u>	<u>47.5</u>	<u>50</u>	
	<u>75</u>				<u>42.5</u>	<u>45</u>	<u>47.5</u>	
	<u>70</u>				<u>40</u>	<u>42.5</u>	<u>45</u>	
	<u>65</u>			35	<u>37.5</u>	<u>40</u>	<u>42.5</u>	
	<u>60</u>			<u>32.5</u>	<u>35</u>	<u>37.5</u>	<u>40</u>	
	<u>55</u>			<u>30</u>	<u>32.5</u>	<u>35</u>	<u>37.5</u>	
	<b>50</b>	22.5	25*	27.5	30	32.5	35	points
<b>Percent of</b>	<b>45</b>	20	22.5*	25	27.5	30	32.5	points
<b>Income</b>	<b>40</b>	17.5	20	22.5	25	27.5	30	points
<b>Targeted</b>	<b>35</b>	15	17.5	20	22.5	25	27.5	points
<b>Units To</b>	<b>30</b>	12.5	15	17.5	20	22.5	25	points
<b>Total Tax</b>	<b>25</b>	10	12.5	15	17.5	20	22.5	points
<b>Credit Units</b>	<b>20</b>	7.5	10	12.5	15	17.5	20	points
(exclusive of	<b>15</b>	5	7.5	10	12.5	15	17.5	points
mgr.'s unit)	<b>10</b>	2.5	5	7.5	10	12.5	15	points

\* Available to Rural set-aside projects only

**Comments Received:** Several commenters objected to the proposed requirement that projects with a large number of 45 percent (45%) of AMI units must document committed rental or operating subsidies. These commenters argued that TCAC's standard underwriting procedures should identify risks associated with lower rents, and that such risks may be mitigated in ways other than through rent or operating subsidies.

A number of commenters generally urged TCAC to forgo any changes to income targeting during these uncertain financial times.

A slightly smaller subset of commenters urged changes that would weight deeper income targeting more heavily, including one commenter's suggestion that the scoring measure average affordability.

One commenter urged broadening the existing 55% of AMI option available to non-rural projects, and two commenters specifically urged that the 50 percent (50%) of the units at 50% of AMI option not be eliminated for non-rural projects. One commenter recommended that TCAC clarify the point options available to rural projects by marking each of them with an asterisk.

**Response:** Staff is withdrawing the originally proposed demonstrated subsidy language. Staff continues to recommend the modest proposed changes to the chart, and will give additional consideration to alternative ideas. Based upon the originally stated reasons, the proposed changes would facilitate slightly more economic diversity while only marginally affecting overall average affordability. Staff is adding asterisks next to each rural-only option on the chart.

## Revised Proposed Change:

(7) Lowest Income in accordance with the table below Maximum 52 points

- (A) The "Percent of Area Median Income" category may be used only once. For instance, 50% of Income Targeted Units to Total Tax Credit Units at 50% of Area Median Income cannot be used twice for 100% at 50% and receive 50 points, nor can 50% of Income Targeted Units to Total Tax Credit Units at 50% of Area Median Income for 25 points and 40% of Income Targeted Units to Total Units at 50% of Area Median Income be used for an additional 20 points. However, the "Percent of Income Targeted Units" may be used multiple times. For example, 50% of Targeted Units at 50% of Area Median Income for 25 points may be combined with another 50% of Targeted Units at 45% of Area Median Income to achieve the maximum points. All projects must score at least 45 points in this category to be eligible for 9% Tax Credits.

Only projects competing in the Rural set aside may use the 55% of Area median income column.

~~Projects with more than 50% of the low income units targeted at or below 45% of Area Median Income must provide documentation of a committed subsidy for a period of at least 15 years (to the extent permitted by the relevant program funding source).~~

Lowest Income Points Table:

		Percent of Area Median Income						
		55	50	45	40	35	30	
Percent of Income Targeted Units To Total Tax Credit Units (exclusive of mgr.'s unit)	<del>80</del>				<del>45</del>	<del>47.5</del>	<del>50</del>	
	<del>75</del>				<del>42.5</del>	<del>45</del>	<del>47.5</del>	
	<del>70</del>				<del>40</del>	<del>42.5</del>	<del>45</del>	
	<del>65</del>			35	<del>37.5</del>	<del>40</del>	<del>42.5</del>	
	<del>60</del>			<del>32.5</del>	<del>35</del>	<del>37.5</del>	<del>40</del>	
	<del>55</del>			<del>30</del>	<del>32.5</del>	<del>35</del>	<del>37.5</del>	
	50	22.5	25*	27.5	30	32.5	35	points
	45	20	22.5*	25	27.5	30	32.5	points
	40	17.5*	20	22.5	25	27.5	30	points
	35	15*	17.5	20	22.5	25	27.5	points
	30	12.5*	15	17.5	20	22.5	25	points
	25	10*	12.5	15	17.5	20	22.5	points
	20	7.5*	10	12.5	15	17.5	20	points
	15	5*	7.5	10	12.5	15	17.5	points
	10	2.5*	5	7.5	10	12.5	15	points

\* Available to Rural set-aside projects only



## Section 10325(c)(10)

### Initial Proposed Change:

#### (10) Tie Breakers

If multiple applications receive the same score, the following tie breakers shall be employed:

~~f~~First, if an application's housing type goal has been met in the current funding round in the percentages listed in section 10315, then the application will be skipped if there is another application with the same score and with a housing type goal that has not been met in the current funding round in the percentages listed in section 10315; and

~~s~~Second, the highest ~~ratio~~ of the sum of the following two ratios:

~~e(a) Committed permanent public funds defraying residential costs to total residential project development costs. Permanent funds shall be demonstrated through documentation including but not limited to public funding award letters, committed land donations, or documented project-specific local fee waivers, or through commitments from unrelated private financial institutions or consortia of private financial institutions. Such financial institutions. The numerator of this ratio may include permanent funding committed by foundations so long as the funding is a grant or residual receipts loan. , but shall not include seller-carry-back financing. Local land donations include land leased from a public entity for a de minimis annual lease payment. Permanent funding sources for this tiebreaker shall not include equity commitments related to the Low Income Housing Tax Credits. For purposes of this tiebreaker, total development costs will not include total land costs. Total development costs for purposes of this tiebreaker shall also exclude budgeted developer fee. CTCAC may establish underwriting parameters within its application for private funding sources to assure the reasonableness of the proposed loan amounts.~~

~~(b) One (1) minus the ratio of requested unadjusted eligible basis to total residential project development costs.~~

~~This ratio~~ These ratios must not have decreased ~~when the project is placed in service following award~~ or negative points may be awarded.

**Comments Received:** Many commenters provided thoughtful feedback regarding TCAC staff's proposed change to the final tiebreaker. Commenters applauded de-emphasizing private "must pay" debt in light of the financial stress it adds to projects and its unreliability as a scoring item. Several commenters supported the proposed changes, but suggested a variety of modifications or additions. Several commenters suggested a cross-reference to the public funds definition at Section 10325(c)(1)(C) which would explicitly include the Federal Home Loan Bank's AHP funding. A set of commenters also asked that TCAC explicitly include Section 8 or other public operating subsidies as a public funding source that could receive a higher tiebreaker score, requiring an amendment to both Section 10325(c)(1) and this section. A cross-reference would also explicitly include public land donations as public funding.

Some commenters expressed concern regarding downward pressure on costs reducing project quality, and the resulting reluctance of sponsors to build costly green features into their project designs.

A set of commenters specifically expressed concern that local public funding sources would be put under more pressure at a time when their resources are being depleted. One commenter also speculated that a reduced-cost emphasis could harm redevelopment projects which are typically more costly.

A One commenter urged an amendment permitting nonprofit developers to establish a trust fund or endowment that would count as a public funding source, only if that fund were in place for more than five years prior to the tax credit application.

A small set of commenters recommended that TCAC exclude developer fee in the “total development cost” definition, while two commenters also advocated excluding green features from total development cost. A small set of commenters also expressed concern that including land costs in the tiebreaker would skew awards away from higher land cost urban infill projects.

One commenter suggested, as an alternative tiebreaker, averaging tax credits per bedroom plus tax credits per project.

Two commenters specifically expressed concern about TCAC returning to the pre-2009 tiebreaker at all, arguing that it had become corrupted by applicants misrepresenting costs, sources, and estimated equity.

One commenter suggested considering Community Development Financial Institution below market rate interest loans as public funds.

One commenter urged TCAC to assign a value to local governmental accommodations, such as relaxed design review standards, and assign a small scoring advantage to them (e.g., 2/100ths of a point). The commenter argued this would help projects in low revenue communities.

One commenter proposed, as an alternative, that the tiebreaker be permanent public funding divided by the sum of total project cost plus requested unadjusted eligible basis. Another commenter suggested using public funds divided by requested eligible basis.

One commenter noted that the revised language describing possible consequences if the final tiebreaker ratio changes following award is now unclear.

**Response:** TCAC staff appreciates all of the thoughtful comments received on the all-important final tiebreaker proposal. Several of the proposed alternatives warrant further consideration. However, absent a more thorough analysis including testing on prior year applications, staff is loath to propose a significantly different model than originally proposed without more public review and comment.

Staff agrees to cross-reference the public funds definition found at Section 10325(c)(1). TCAC staff also agrees with the concept of scoring project-based rental assistance or public operating subsidies, and is proposing language to score these sources within the final tiebreaker. However, TCAC staff has yet to establish the mechanisms for evaluating and scoring such subsidies, and would withdraw the proposed language prior to Committee adoption if staff has not developed a method for equitably scoring these funds.

Staff understands commenter anxiety regarding any tiebreaker changes, and especially placing additional emphasis on public funding under current economic circumstances. However, staff remains convinced that the proposed change is marginally better than the 2009 tiebreaker in that it (a) would fairly account for all project costs, eliminating the opportunity to hide costs in excluded line items, and (b) would dampen the competitive affect any overestimation or underestimation of project costs. The originally-proposed tiebreaker would continue to indirectly account for private financing or stronger equity pricing by rewarding reduced requested eligible basis relative to the project's costs.

TCAC would continue to monitor estimated project costs relative to updates at readiness deadlines, final reservation, and placed in service stages.

Finally, TCAC staff is proposing new language to address projects containing commercial or other non-residential space. Specifically, staff proposes to discount public funds by the percentage of a project that is proposed to be commercial or nonresidential. This would eliminate a significant competitive advantage for projects with commercial space which otherwise have suppressed denominators, while numerators account for the full value of the public funds. In 2009, sponsors reported to TCAC that LIHTC equity would pay for the commercial space costs while the public funds were solely dedicated to the residential costs. In such cases, accounting for commercial space in scoring public funds would more accurately account for equity induced in by a public resource: Low Income Housing Tax Credits.

### **Revised Proposed Change:**

#### **Section 10325(c)(10)**

##### **(10) Tie Breakers**

If multiple applications receive the same score, the following tie breakers shall be employed:

~~First~~, if an application's housing type goal has been met in the current funding round in the percentages listed in section 10315, then the application will be skipped if there is another application with the same score and with a housing type goal that has not been met in the current funding round in the percentages listed in section 10315; and

~~Second~~, the highest ~~ratio~~ of the sum of the following two ratios:

~~e(a) Committed permanent public funds, as described in Section 10325(c)(1)(C), defraying residential costs to total residential project development costs. Except where a third-party funding commitment is explicitly defraying non-residential costs only, public funds shall be discounted by the proportion of the project that is non-residential.~~ Permanent funds shall be demonstrated through documentation including but not limited to public funding award letters, committed land donations, or documented project-specific local fee waivers; ~~or through commitments from unrelated private financial institutions or consortia of private financial institutions. Such financial institutions~~ The numerator of this ratio may include permanent funding committed by foundations so long as the funding is a grant or residual receipts loan. ~~, but shall not include seller carry-back financing.~~ Local land donations include land leased from a public entity for a de minimis annual lease payment. Permanent funding sources for this tiebreaker shall not

include equity commitments related to the Low Income Housing Tax Credits. ~~For purposes of this tiebreaker, total development costs will not include total land costs. Total development costs for purposes of this tiebreaker shall also exclude budgeted developer fee. CTCAC may establish underwriting parameters within its application for private funding sources to assure the reasonableness of the purposed loan amounts.~~

In addition to the above, CTCAC shall award points to projects that have awards of project-based rental or operating subsidy based on the present value of the award amount. TCAC will provide the calculation for determining the additional points in the application.

- (b) One (1) minus the ratio of requested unadjusted eligible basis to total residential project development costs.

~~This ratio~~ These ratios must not have decreased ~~when the project is placed in service following award~~ or negative points may be awarded.

## **Section 10325(g)(4)**

### **Initial Proposed Change:**

- (4) Special Needs projects. To be considered Special Needs housing, at least 50% of the Tax Credit units in the project shall serve populations that meet one of the following: are developmentally disabled, are survivors of physical abuse, are homeless, have chronic illness, including HIV and mental illness, are displaced teenage parents (or expectant teenage parents) or another specific group determined by the Executive Director to meet the intent of this housing type. The Executive Director shall have sole discretion in determining whether or not an application meets these requirements. In the case of a development that is less than 75% special needs, the non-special needs units must meet another housing type (for example, large family), although the project will be considered as a special needs project for purposes of Section 10325. The application shall meet the following additional threshold requirements:
- (A) Average income for the special needs units is no more than forty percent (40%) of the area median income;
  - (B) Third party verification from a federal, state or local agency of the availability of services appropriate to the targeted population;
  - (C) The units/building configurations (including community space) shall meet the specific needs of the population;
  - (D) If the project does not have a rental subsidy committed, the applicant shall demonstrate that the target population can pay the proposed rents. For instance, if the target population will rely on General Assistance, the applicant shall show that those receiving such assistance are willing to pay rent at the level proposed;
  - (E) A public agency shall provide direct or indirect long-term financial support for at least fifteen percent (15%) of the total project development costs, or the owner's equity (includes syndication proceeds) shall constitute at least thirty percent (30%) of the total project development costs;
  - (F) Adequate laundry facilities shall be available on the project premises, with no fewer than one washer/dryer per 15 units;

- (G) Projects are subject to a minimum low-income use period of 55 years;
- (H) A ten percent (10%) vacancy rate shall be used for pro-forma purposes unless otherwise approved by the Executive Director. Justification of a lower rate shall be included;
- (I) Where services are required as a condition of occupancy, special attention shall be paid to the assessment of service costs as related to maximum allowable Credit rents. A tax professional's opinion as to compliance with IRC Section 42 may be required by the Executive Director;
- (J) A signed contract or memorandum of understanding between the developer and the service provider, together with the resolution of the service provider(s) identified in the preliminary service plan described in paragraph (L), must accompany the Tax Credit application;
- (K) A summary of the experience of the developer and the service provider(s) in providing services to the project's ~~for~~ special needs populations must accompany the Tax Credit application; and,
- (L) A preliminary service plan that specifically identifies: the service needs of the projects special needs population; the organization(s) that would be providing the services to the residents; the services to be provided to the special needs population; how the services would support resident stability and any other service plan objectives; a preliminary budget displaying anticipated income and expenses associated with the services program. The Executive Director shall, in his/her sole discretion, determine whether the plan is adequate to qualify the project as a special needs project.

**Comments Received:** The only two substantive comments received for this proposed change was to (a) adjust the special needs threshold to 15 percent (15%) of the units for special needs populations, and (b) add disabled veterans to the introductory paragraph list.

**Response:** Staff will confer with stakeholders regarding how to account for 15% special needs projects. To the extent credits are set aside to assist special needs populations, TCAC wishes to assure maximum benefit accruing to those populations.

A project for disabled veterans would currently qualify by virtue of the residents' disabled status. Several developments housing disabled veterans, veterans recovering from substance abuse, or homeless veterans have competed successfully in TCAC's competition for nine percent credits.

Proceed with initial proposed change.

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## Section 10327(c)(1)

### Initial Proposed Change:

- (1) Builder overhead, profit and general requirements. An overall cost limitation of fourteen percent (14%) of the cost of construction (~~site work and structures~~) shall apply to builder overhead, profit, and general requirements, ~~excluding builder's general liability insurance.~~ For purposes of builder overhead and profit, the cost of construction includes site work, structures, prevailing wages, and general requirements. For purposes of general requirements, the cost of construction includes site work, structures, and prevailing wages.

**Comments Received:** Three commenters questioned why TCAC was now including general liability insurance in this calculation and urged TCAC not to. Other comments urged the inclusion of off-site work, demolition, and residential furnishings and equipment when calculating the limitation. Finally, one commenter argued against any of the changes, stating that the resulting overhead and profit figure would be too generous.

**Response:** TCAC staff is deleting the proposed change to the general liability insurance treatment since this cost varies by project and should not have a bearing on a contractor's overhead and profit calculation. Adding off-site and demolition work performed into the contractor overhead and profit calculation is reasonable since that work is not materially different site or structures work. Staff will discuss with the larger stakeholder community the efficacy of including furnishings and equipment in this calculation.

**Revised Proposed Change:**

- (1) Builder overhead, profit and general requirements. An overall cost limitation of fourteen percent (14%) of the cost of construction (~~site work and structures~~) shall apply to builder overhead, profit, and general requirements. An overall cost limitation of fourteen percent (14%) of the cost of construction (~~site work and structures~~) shall apply to builder overhead, profit, and general requirements, excluding builder's general liability insurance. For purposes of builder overhead and profit, the cost of construction includes offsite improvements, demolition and site work, structures, prevailing wages, and general requirements. For purposes of general requirements, the cost of construction includes site work, structures, and prevailing wages.
- (2) For purposes of builder overhead and profit, the cost of construction includes site work, structures, prevailing wages, and general requirements. For purposes of general requirements, the cost of construction includes site work, structures, and prevailing wages.

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**Section 10327(c)(5)(A)**

**Initial Proposed Change:**

Exceptions to limits.

- (A) Increases in the Threshold basis limits shall be permitted as follows for projects applying under Section 10325 or 10326 of these regulations. The maximum increase to the unadjusted eligible basis of a development permitted under this subsection shall not exceed thirty-nine percent (39%).
  - A twenty percent (20%) increase to the unadjusted eligible basis for a development that is required to pay state or federal prevailing wages;
  - A seven percent (7%) increase to the unadjusted eligible basis for a new construction development where parking is required to be provided beneath the residential units (but not "tuck under" parking);
  - A two percent (2%) increase to the unadjusted eligible basis where a day care center is part of the development;
  - A two percent (2%) increase to the unadjusted eligible basis where 100% of the units are for special needs populations

A ten percent (10%) increase to the unadjusted eligible basis for a development wherein at least 95% of the project's upper floor units are serviced by an elevator.

In order to receive the basis limit increases by the corresponding percentage(s) listed above, a certification signed by the project architect shall be provided within the application confirming that item(s) listed above will be incorporated into the project design.

- (B) A further four percent (4%) increase in the Threshold Basis Limits will be permitted for projects applying under Section 10325 or Section 10326 of these regulations that either (a) exceed Title 24 standards by at least 35 percent, or (b) include three of the following energy efficiency/resource conservation/indoor air quality items:

Exceed Title 24 standards by at least 15%.

Use tankless water heaters, a high efficiency condensing boiler (92% AFUE or greater), or a solar thermal domestic hot water pre-heating system.

Use a Minimum Efficiency Report Value (MERV) 8 or higher air-filter for HVAC systems that introduce outside air.

Irrigation system using only reclaimed water and/or captured rainwater.

Recycle at least 75% of construction and demolition waste (measured by either by weight or volume).

Install natural linoleum, natural rubber, or ceramic tile for all kitchens and bathrooms (where no VOC adhesives or backing is also used).

Install bamboo, stained concrete, cork, salvaged or FSC-Certified wood, ceramic tile, or natural linoleum in all living rooms or 50% of all common areas.

Install CRI Green Label Plus Carpet, or no carpet, in all bedrooms.

Vent kitchen range hoods to the exterior of the building in at least 80% of units.

Use at least four recycled products listed in the Construction, Flooring, or Recreation section of the California Integrated Waste Management Boards Recycle Content Products Database [www.ciwmb.ca.gov/RCP](http://www.ciwmb.ca.gov/RCP).

In order to receive the four percent (4%) increase to the basis limit, the application shall contain a certification from the project architect confirming that item(s) listed above will be incorporated into the project design.

**Comments Received:** Several commenters urged TCAC to have the sponsor, rather than the architect, certify to the invocation and payment of prevailing wages and 100 percent special needs status in paragraph (A).

**Response:** Staff agrees with the comment, and is amending the recommended language in paragraph (A).

## Revised Proposed Change:

Exceptions to limits.

- (A) Increases in the Threshold basis limits shall be permitted as follows for projects applying under Section 10325 or 10326 of these regulations. The maximum increase to the unadjusted eligible basis of a development permitted under this subsection shall not exceed thirty-nine percent (39%).

A twenty percent (20%) increase to the unadjusted eligible basis for a development that is required to pay state or federal prevailing wages;

A seven percent (7%) increase to the unadjusted eligible basis for a new construction development where parking is required to be provided beneath the residential units (but not "tuck under" parking);

A two percent (2%) increase to the unadjusted eligible basis where a day care center is part of the development;

A two percent (2%) increase to the unadjusted eligible basis where 100% of the units are for special needs populations

A ten percent (10%) increase to the unadjusted eligible basis for a development wherein at least 95% of the project's upper floor units are serviced by an elevator.

~~It~~ With the exception of the prevailing wage increase and the special needs increase, in order to receive the basis limit increases by the corresponding percentage(s) listed above, a certification signed by the project architect shall be provided within the application confirming that item(s) listed above will be incorporated into the project design.

- (B) A further four percent (4%) increase in the Threshold Basis Limits will be permitted for projects applying under Section 10325 or Section 10326 of these regulations that either (a) exceed Title 24 standards by at least 35 percent, or (b) include three of the following energy efficiency/resource conservation/indoor air quality items:

Exceed Title 24 standards by at least 15%.

Use tankless water heaters, a high efficiency condensing boiler (92% AFUE or greater), or a solar thermal domestic hot water pre-heating system.

Use a Minimum Efficiency Report Value (MERV) 8 or higher air-filter for HVAC systems that introduce outside air.

Irrigation system using only reclaimed water and/or captured rainwater.

Recycle at least 75% of construction and demolition waste (measured by either by weight or volume).

Install natural linoleum, natural rubber, or ceramic tile for all kitchens and bathrooms (where no VOC adhesives or backing is also used).

Install bamboo, stained concrete, cork, salvaged or FSC-Certified wood, ceramic tile, or natural linoleum in all living rooms or 50% of all common areas.

Install CRI Green Label Plus Carpet, or no carpet, in all bedrooms.



Vent kitchen range hoods to the exterior of the building in at least 80% of units. Use at least four recycled products listed in the Construction, Flooring, or Recreation section of the California Integrated Waste Management Boards Recycle Content Products Database [www.ciwmb.ca.gov/RCP](http://www.ciwmb.ca.gov/RCP).

In order to receive the four percent (4%) increase to the basis limit, the application shall contain a certification from the project architect confirming that item(s) listed above will be incorporated into the project design.

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#### **Section 10327(c)(6)**

##### **Initial Proposed Change:**

- (6) Minimum Debt Service Coverage. An initial debt service coverage ratio equal to at least ~~4.40~~ 1.15 to 1 is required, except for RHS projects or projects financed by the California Housing Finance Agency.

**Comments Received:** The few commenters on this proposed change were supportive, but three commenters urged that FHA/HUD financing be added to the existing exceptions of RHS and CalHFA. One commenter urged that we eliminate all exceptions, while another commenter advocated increasing the minimum ratio to 1.2 to 1. Two commenters asked that we clarify that the DSCR applies only to soft debt.

**Response:** TCAC staff agrees with the commenters that FHA/HUD financed projects may also be underwritten at a lower DSCR along with RHS and CalHFA financed projects. The increase to 1.15 to 1 sufficiently mitigates TCAC's risk related to a project's debt load at this time, and program users understand that the relevant debt service for this calculation is recurring "must pay" payments, typically on a private lender loan.

##### **Revised Proposed Change:**

- (6) Minimum Debt Service Coverage. An initial debt service coverage ratio equal to at least ~~4.40~~ 1.15 to 1 is required, except for FHA/HUD projects, RHS projects or projects financed by the California Housing Finance Agency.
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#### **Section 10327(g)(1)**

##### **Initial Proposed Change:**

- (g) Underwriting criteria. The following underwriting criteria shall be employed by the Committee in a pro forma analysis of proposed project cash flow to determine the minimum Tax Credits necessary for financial feasibility and the maximum allowable Tax Credits:
  - (1) Minimum operating expenses shall include expenses of all manager units (budgeting for and ultimately providing at least one (1) manager's unit, and at least one additional manager's unit for every additional 80 units within a project) and market rate units, and must be at least equal to the minimum operating expense standards published by the Committee staff annually. The published minimums shall be established based upon periodic calculations of operating expense averages annually reported to TCAC by existing tax credit property

operators. The minimums shall be displayed by region, and project type (including large family, senior, and SRO/Special Needs), and shall be calculated at the reported average or at some level discounted from the reported average. The Executive Director may, in his/her sole discretion, utilize operating expenses up to 15% less than required in this subsection for underwriting when the equity investor and the permanent lender are in place and provide evidence that they have agreed to such lesser operating expenses. These minimum operating expenses do not include property taxes, replacement reserves, depreciation or amortization expense, or the costs of any service amenities.

**Comments Received:** Several commenters asked that TCAC clarify the intent that a second manger's unit is required only for projects of 160 units or larger. One commenter suggested that TCAC move this provision to Section 10327(g)(8). Multiple commenters recommended that TCAC accept 24-hour desk service in special needs projects as the equivalent of an on-site manger's unit. Finally, one commenter urged TCAC to clarify that an on-site manger is not required for a project of fewer than 16 units.

**Response:** Staff believes the original proposed location of the change is appropriate. Each of the received comments has merit, and staff is incorporating the suggested changes.

**Revised Proposed Change:**

- (g) Underwriting criteria. The following underwriting criteria shall be employed by the Committee in a pro forma analysis of proposed project cash flow to determine the minimum Tax Credits necessary for financial feasibility and the maximum allowable Tax Credits:
  - (1) Minimum operating expenses shall include expenses of all manager units ~~(budgeting for and ultimately providing at least one (1) manager's unit, and at least one additional manager's unit for every additional 80 units within a project)~~ and market rate units, and must be at least equal to the minimum operating expense standards published by the Committee staff annually. (Consistent with California State law, projects with 16 or more residential units must have an on-site manager's unit. In addition, for every 80 non-manager units in a project, at least one on-site manager's unit shall also be provided. Special needs projects may demonstrate 24-hour desk staffing in lieu of an on-site manager's unit.) The published minimums shall be established based upon periodic calculations of operating expense averages annually reported to TCAC by existing tax credit property operators. The minimums shall be displayed by region, and project type (including large family, senior, and SRO/Special Needs), and shall be calculated at the reported average or at some level discounted from the reported average. The Executive Director may, in his/her sole discretion, utilize operating expenses up to 15% less than required in this subsection for underwriting when the equity investor and the permanent lender are in place and provide evidence that they have agreed to such lesser operating expenses. These minimum operating expenses do not include property taxes, replacement reserves, depreciation or amortization expense, or the costs of any service amenities.

## Section 10337(c)(3)

### Initial Proposed Change

- (3) Certification requirements. Under penalty of perjury, a Credit project owner is required to annually, during each year of the compliance period, meet the certification requirements of U.S. Treasury Regulations 26 CFR 1.42-5(c), (which beginning January 1, 2001, includes certifications that no finding of discrimination under the Fair Housing Act, 42 USC 3601 occurred for the project), that the buildings and low income units in the project were suitable for occupancy taking into account local health, safety, and building codes, that no violation reports were issued for any building or low income unit in the property by the responsible state or local government unit, that the owner did not refuse to lease a unit to an applicant because the applicant had a section 8 voucher or certificate, and that except for transitional or single room occupancy housing, all low income units in the project were used on a nontransient basis. The following must also be certified to by the owner:
- (A) the project met all terms and conditions recorded in its Regulatory Agreement, if applicable;
  - (B) the applicable fraction (as defined in IRC Section 42(c)(1)(B)) met all requirements of the Credit allocation as specified on IRS Form(s) 8609 (Low-Income Housing Credit Allocation Certification.);
  - (C) no change in ownership of the project has occurred during the reporting period;
  - (D) the project has not been notified by the IRS that it is no longer a "qualified low-income housing project" within the meaning of Section 42 of the IRC;
  - (E) no additional tax-exempt bond funds or other Federal grants or loans with interest rates below the applicable Federal rate have been used in the Project since it was placed-in-service; and,
  - (F) report the number of units that were occupied by Credit eligible households during the reporting period.
  - (G) the services specified in the Regulatory Agreement were provided to the tenants during the reporting period.

**Comments Received:** No substantive comments were received regarding this proposed change.

**Response:** Proceed with originally proposed change.

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**List of Commenters:**

1. Stacie Altman, USA Properties Fund, Inc.
2. Abel Avalos, Anaheim Redevelopment Agency
3. Dixie Baus, Core Affordable
4. Holly Benson, Abode Communities
5. Douglas R. Bigley, Urban Housing Communities
6. Kasey M. Burke and John M. Husky, Meta Housing Corporation
7. Frank Cardone, Related California
8. Frank Carpenter, Sacramento Mutual Housing Association
9. Gwendy Egnater, Corporation for Better Housing
10. Karen Flock, Cabrillo Economic Development Corporation
11. Frank Fonseca, American Communities
12. Matthew O. Franklin, Mid-Peninsula Housing Coalition
13. Susan Friedland, Affordable Housing Associates
14. Scott Gayner, Western Community Housing, Inc.
15. Annie Gerard, Apartment Market Research
16. Craig Gillett and Beth Southorn, LifeSTEPS
17. Edwin C. Gipson, II, Community Redevelopment Agency of the City of Los Angeles
18. David Gratzke, Community Housing Works
19. Alan Greenlee, One Economy California
20. Rich Gross, Enterprise Community Partners, Inc.
21. Christina Hawkins, One Economy California
22. Ginger Hitzke, Hitzke Development Corporation
23. Dan Horn, Palm Desert Development
24. Scott Humphries, City of Modesto
25. Jonathan Hunter, Corporation for Supportive Housing
26. Matthew B. Jumper, and Janathan L. Taylor, San Diego Interfaith Housing Foundation
27. Meea Kang, Domos Development
28. Salim Karimi, ADI, Inc.
29. Ali Kashani, CityCentric Investments
30. Mike Kelley, The Pacific Companies
31. Mark Kindelberger, ConSol

32. Kristopher Kaufmann and Paul Patierno, Highland Property Development, LLC
33. James R. Kroger, Novogradac and Company, LLP
34. Karl Lauff, Christian Church Homes
35. William D. Leach, Palm Desert Development
36. John Lowry, Burbank Housing Development Corporation
37. Albert Luu
38. Richard Mandel, California Housing Partnership Corporation
39. Lee Milman, A Community of Friends
40. Ana Morgan, Napa Valley Housing Coalition
41. Julie Mungai, National Community Renaissance
42. Mary Murtaugh, EAH
43. Albert Otero
44. Andrea Papanastassiou, Eden Housing
45. Jeanne Peterson, Reznick Group
46. Kevin Pickett, Palms Residential Care Facility
47. Caleb Roope, Pacific West Communities
48. Ben Rosen, A Community of Friends
49. Joel Rubenzahl, Community Economics
50. Diane Russell, Western Community Housing, Inc.
51. Ken Sauder, Wakeland Housing and Development Corporation
52. Daniel Sawislak, Resources for Community Development
53. Esther Schiller, Smokefree Air For Everyone
54. David Schnur, Community Housing Partnership
55. Tom Scott, San Diego Housing Federation
56. James Silverwood, Affirmed Housing Group
57. Diane Spaulding, The Nonprofit Housing Association of Northern California
58. Gary Squire, Squire Properties, LLC
59. Keith S. Stanley, Horizon Development Consulting, LLC
60. Lois Starr, Community Development Commission of the County of Los Angeles
61. Matt Steinle, EAH
62. Eve Stewart, Affordable Housing Associates
63. Mary Stompe, PEP Housing
64. Catherine Talbot, Boston Financial Investment Management

65. Lydia Tan, BRIDGE Housing Corporation
66. Ronne Thielen, Centerline Capital Group
67. Dana Trujillo, Abode Communities
68. Percival Vaz, AMCAL Multi-Housing, Inc.
69. Suzanne Vice, National Affordable Housing Trust
70. Michael Walsh, Coachella Valley Housing Coalition
71. Thomas D. Warren, Holland Development
72. Walker Wells, Global Green, USA
73. Rob Wiener, California Coalition for Rural Housing
74. Deborah Willard, Foundation for Affordable Housing V, Inc.
75. Tom Willard, Foundation for Affordable Housing II, Inc.
76. Anne B. Wilson, Community HousingWorks
77. Dan Wu, Charities Housing
78. David Yarden, AMCAL Multi-Housing, Inc.
79. Paul Zimmerman, Southern California Association of Nonprofit Housing